

**DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

Approved by the Board of Directors on 20 November 2024¹

MONTENEGRO

CEDIS SCADA

[Redacted in line with the EBRD's Access to Information Policy]

[Information considered confidential has been removed from this document in accordance with the EBRD's Access to Information Policy (AIP). Such removed information is considered confidential because it falls under one of the provisions of Section III, paragraph 2 of the AIP]

¹ As per section 1.4.8 of EBRD's Directive on Access to Information (2019), the Bank shall disclose Board reports for State Sector Projects within 30 calendar days of approval of the relevant Project by the Board of Directors. Confidential information has been removed from the Board report.

For the avoidance of any doubt, the information set out here was accurate as at the date of preparation of this document, prior to consideration and approval of the project.

TABLE OF CONTENTS

	Page
TABLE OF CONTENTS	3
ABBREVIATIONS	4
PRESIDENT’S RECOMMENDATION	6
BOARD DECISION SHEET	7
ADDITIONAL SUMMARY TERMS FACTSHEET	8
1. STRATEGIC FIT AND KEY ISSUES	10
1.1 STRATEGIC CONTEXT.....	10
1.2 TRANSITION IMPACT	12
1.3 ADDITIONALITY	13
1.4 SOUND BANKING - KEY RISKS	14
2. MEASURING / MONITORING SUCCESS.....	15
3. KEY PARTIES	17
3.1 BORROWER	17
3.2 GUARANTOR	17
4. MARKET CONTEXT	17
5. FINANCIAL ANALYSIS	19
5.1 FINANCIAL PROJECTIONS	19
5.2 SENSITIVITY ANALYSIS	19
5.3 PROJECTED PROFITABILITY FOR THE BANK.....	19
6. OTHER KEY CONSIDERATIONS.....	19
6.1 ENVIRONMENT.....	19
6.2 INTEGRITY	20
6.3 OTHER ISSUES	20
ANNEXES TO OPERATION REPORT.....	21
ANNEX 1 – SHAREHOLDING STRUCTURE.....	22
ANNEX 2 – PROJECT IMPLEMENTATION (PROCUREMENT PLAN)	23
ANNEX 3 – GREEN ASSESSMENT SUMMARY	26
ANNEX 4 – TRANSITION IMPACT SCORING CHART.....	29
ANNEX 5 – HISTORICAL FINANCIAL STATEMENTS.....	30

ABBREVIATIONS

ADMS	Advanced Distribution Management System
AESR	Annual Environmental and Social Report
AMM	Advanced Metering Management
BESS	Battery Energy Storage System
CAPEX	Capital Expenditure
CO ₂	Carbon dioxide
CF	Cash flow
CAGR	Compound Annual Growth Rate
CPI	Consumer Prices Index
CGAP	Corporate Governance Action Plan
BELEN	Crnogorska Berza Električne Energije
CEDIS	Crnogorski Elektrodistributivni Sistem
CGES	Crnogorski Elektroprenosni Sistem
COTEE	Crnogorski Operator Tržišta Električne Energije
DSCR	Debt Service Coverage Ratio
DSO	Distribution System Operator
DRI	Državna Revizorska Institucija Crne Gore
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
ECEPP	EBRD Client E-Procurement Portal
PP&Rs	EBRD Procurement Policies and Rules
EPCG	Elektroprivreda Crne Gore a.d. Nikšić
REGAGEN	Energy and Water Regulatory Agency of Montenegro
EC	Energy Community
E&S	Environmental and Social
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
EUR	Euro
EURIBOR	Euro Interbank Offered Rate
EU	European Union
GBVH	Gender Based Violence and Harassment
GDP	Gross Domestic Product
GET	Green Economy Transition
GHG	Greenhouse Gas
GIP	Good International Practice
GPMP	Green Project Monitoring Plan
GWh	Gigawatt hours
GW	Gigawatts
H&S	Health and Safety
HV	High Voltage
HPP	Hydro Power Plant
IPA	Instrument for Pre-accession Assistance
IMS	Integrated Management System
IFI	International Financial Institution
KPI	Key Performance Indicator
Km	Kilometer
KV	Kilovolt
KYC	Know Your Client
LTA	Lenders' Technical Advisor
LOTO	Lockout/Tagout
LV	Low Voltage
MV	Medium Voltage
MW	Megawatt
MWh	Megawatt hours

M&E	Monitoring and Assessment
MEPX	Montenegrin Power Exchange
MNE	Montenegro
MDB	Multilateral Development Bank
MPLS	Multi-Protocol Label Switching
NECP	National Energy and Climate Plan
NPV	Net Present Value
NGFS	Network for Greening the Financial System
OFAC	Office of Foreign Assets Control
OCF	Operating Cash Flow
O&M	Operations & Maintenance
OHL	Overhead Line
PV	Photovoltaics
PCB	Polychlorinated biphenyl
P&L	Profit and Loss
PIA	Project Implementation Advisor
PIU	Project Implementation Unit
RRaR	Regulated Rate of Return
RReR	Regulated Return on Revenue
RAB	Regulatory Asset Base
RE	Renewable Energy
RES	Renewable Energy Sources
SSF	Shareholders Special Fund
SPP	Solar Power Plant
SPV	Special Purpose Vehicle
SEP	Stakeholder Engagement Plan
SOE	State Owned Enterprise
SPGE	Strategy for the Promotion of Gender Equality
SCADA	Supervisory Control and Data Acquisition
SC	Supply Chain
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
TC	Technical Cooperation
TWh	Terawatt hours
TOR	Terms Of Reference
TPP	Thermal Power Plant
TI	Transition Impact
TSO	Transmission System Operator
WBIF	Western Balkans Investment Framework
WPP	Wind Power Plant
WTG	Wind Turbine Generator

Montenegro uses the Euro as its currency

WEIGHTS AND MEASURES

1 Megawatt (MW)	=	1,000 kilowatts (10 ³ kW)
1 Gigawatt (GW)	=	1 million kilowatts (10 ⁶ kW)
1 Megawatt-hour (MWh)	=	1,000 kilowatt-hours (10 ³ kWh)
1 Gigawatt-hour (GWh)	=	1 million kilowatt-hours (10 ⁶ kWh)

PRESIDENT'S RECOMMENDATION

This recommendation and the attached Report concerning an operation in favour of Crnogorski Elektrodistributivni Sistem d.o.o. ("CEDIS", or the "Borrower", or the "Company"), the power distribution system operator incorporated in Montenegro, are submitted for consideration by the Board of Directors.

The facility will consist of a senior loan to CEDIS in the amount of up to EUR 35 million to finance the replacement of CEDIS's legacy distribution management system with an advanced distribution management system (SCADA/ADMS), and the procurement of new smart meters (the "Project"). The EBRD loan will benefit from a corporate guarantee to be provided by Elektroprivreda Crne Gore a.d. ("EPCG" or the "Guarantor"), the majority state-owned electricity utility of Montenegro, active in the production, distribution and supply of electricity, and the sole shareholder of CEDIS.

The operation includes two tranches: (i) up to EUR 25 million Tranche 1 for Phase I of SCADA/ADMS implementation (up to EUR 15 million) and for the procurement of new smart meters (up to EUR 10 million), and (ii) up to EUR 10 million Tranche 2 for Phase II of the SCADA/ADMS implementation.

The primary transition impact of the Project comes from Resilience TI quality, as the Project introduces new digital operational approaches that will have a significant effect on the efficiency of client operations. The expected state-of-the-art system will help to address the challenges of future grid management, including the more optimal management of renewable energy as well as cyber security. The expected secondary transition impact of the Project comes from Green TI quality, as it will lead to the reduction of distribution losses by an expected 30 GWh per annum thanks to the digital technology introduced. The Project is also considered to be Gender SMART as the Company will implement an outreach initiative to build awareness on equal opportunities and attract women into technical careers in the traditionally male-dominated energy sector.

[REDACTED]

I am satisfied that the operation is consistent with the Bank's Strategy for Montenegro 2021-2026, Energy Sector Strategy 2024-2028, Green Economy Transition Approach 2021-2025, EBRD's Approach to Accelerating the Digital Transition 2021-2025, the Bank's Strategy for the Promotion of Gender Equality and with the Agreement Establishing the Bank.

I recommend that the Board approve the proposed loan substantially on the terms of the attached Report.

Odile Renaud-Basso

BOARD DECISION SHEET

MONTENEGRO - CEDIS SCADA - DTM 53660	
Transaction / Board Decision	Board approval ² is sought for a senior loan of up to EUR 35 million in two tranches, to Crnogorski Elektrodistributivni Sistem (“CEDIS”, the “Borrower” or the “Company”), the power distribution system operator incorporated in Montenegro. The loan will be fully guaranteed by Elektroprivreda Crne Gore a.d. Nikšić (“EPCG” or the “Guarantor”), the majority state-owned electricity utility of Montenegro, active in the production, distribution and supply of electricity. The Project consists of: Tranche 1 (committed): EUR 25 million, allocated as: a) EUR 15 million for Phase I of SCADA/ADMS implementation and b) EUR 10 million for the procurement of new smart meters, and Tranche 2 (uncommitted): EUR 10 million for Phase II of the SCADA/ADMS implementation. The decision on Tranche 2 commitment is going to be delegated to Management.
Client	CEDIS is a regulated monopoly and is 100% owned by EPCG, the national electricity utility of Montenegro which owns 82% of the country’s generation capacity. EPCG is 98.6% state-owned, while the remaining 1.4% is listed.
Main Elements of the Proposal	<p><u>Transition impact:</u></p> <p>Primary quality – Resilient. The project will finance the replacement of CEDIS’s legacy distribution management system with an advanced digital distribution management system (SCADA/ADMS). It will help to address the challenges of future grids, from intermittent renewable energy management to cyber security.</p> <p>Secondary quality – Green. The Project implementation will lead to a reduction in distribution system losses [REDACTED].</p> <p><u>Additionality</u> stems from financing that is not available in the market from commercial sources on reasonable terms and conditions [REDACTED].</p> <p><u>Gender SMART Tag:</u> The Company will engage in an outreach initiative to promote equal opportunities for young women.</p> <p><u>Sound banking:</u> The proposed structure is appropriate for CEDIS’ risk profile. CEDIS is regulated by state energy regulatory agency (“REGAGEN”, “Regulator”), which has approved the CEDIS’ investment plan including the Project. The Company’s financial capacity has been stress-tested.</p>
Key Risks	<p><u>Construction delay/cost overrun risk</u>, CEDIS has limited experience working with IFI procurement, only through the Smart Metering project from 2017. This risk is mitigated by: 1. an international consultant, acceptable to the Bank, assisting the Company with project preparation, design, procurement, implementation and supervision services for the Project, and 2. inclusion of Project CapEx in CEDIS’ Regulated Asset Base (RAB) as they occur, which means respective adjustment of distribution tariffs.</p> <p><u>Regulatory risk/affordability risk</u> are mitigated by the demonstrated support for the Project from the Regulator. EBRD has a long-standing dialogue with energy-related local authorities, including the Government and respective ministries, the Regulator, the market operator (COTEE), EPCG, CGES (Transmission System Operator) and CEDIS.</p>
Strategic Fit Summary	<p>Strategy for Montenegro 2021-2026, focuses among other topics on deepening Montenegro’s Green Economy Transition through increased energy and resource efficiency and climate resilience, improved performance, service delivery and sustainability of infrastructure.</p> <p>Energy Sector Strategy 2024-2028, envisages focusing on investments in modernising and expanding power networks (including distribution) to integrate renewables, grow decentralised energy sources, foster energy efficiency and improve loss reduction.</p> <p>Green Economy Transition Approach 2021-2025, focuses on aligning its activities with the principles of international climate agreements, including principally the Paris Agreement.</p> <p>EBRD’s Approach to Accelerating the Digital Transition 2021-2025 promotes activities which establish the foundations for digital transformation in our countries of operation.</p> <p>The Strategy for the Promotion of Gender Equality, focuses on mainstreaming gender equality considerations across the Bank’s projects and policy priorities.</p>

² Article 27 of the AEB provides the basis for this decision.

ADDITIONAL SUMMARY TERMS FACTSHEET

EBRD Transaction	<p>Senior loan of up to EUR 35 million in two tranches, split by project phases, in favour of CEDIS, the power distribution system operator incorporated in Montenegro. The loan will be fully guaranteed by EPCG. The tranches include:</p> <p>Tranche 1 (committed): EUR 25 million, allocated as</p> <ul style="list-style-type: none"> - EUR 15 million for Phase I of SCADA/ADMS implementation, and - EUR 10 million for the procurement of new smart meters, and <p>Tranche 2 (uncommitted): EUR 10 million earmarked for Phase II of the SCADA/ADMS implementation.</p> <p>The proceeds of the loan shall be used to support CEDIS' investment programme, focused on grid automation and refurbishment covering the network throughout the entire country. The upgrades will enhance the flexibility of the grid, enabling it to integrate planned future renewable energy capacities. Grid modernisation will also increase energy efficiency by reducing power losses whilst also increasing reliability and stability through a reduction of system interruptions, thus unlocking significant financial benefits for the Company.</p> <p>The total Project budget amounts to EUR 35 million [REDACTED]</p>
Existing Exposure	[REDACTED]
Maturity / Repayment	10-year tenor [REDACTED]. The Tranche 2 final maturity date is the same as for the Project [REDACTED]
Use of Proceeds - Description	The loan and grant proceeds will be used to finance the design and implementation of the SCADA/ADMS system in two phases, equally split in two EBRD loan tranches, with the procurement of new smart meters within the first tranche.
Investment Plan	[REDACTED]
Financing Plan	[REDACTED]
Key Parties Involved	<ul style="list-style-type: none"> - The Borrower: CEDIS - The Guarantor: EPCG
Conditions to disbursement	[REDACTED]
Key Covenants	[REDACTED]
Security / Guarantees	Corporate Guarantee by EPCG.
Other material agreements	Corporate Guarantee with EPCG
Associated Donor Funded TC and Blended Concessional Finance	<p>Technical Cooperation:</p> <p>TC1:</p> <ul style="list-style-type: none"> - Support for the implementation of the Corporate Governance Action Plan ("CGAP"). The [REDACTED] assignment [REDACTED] is going to be funded from the EU IPA Fund supporting reforms in Montenegro (TBC). The Project will include assistance with the implementation of the CGAP agreed

	<p>for the Smart Metering project. [REDACTED] The TC has been approved under the TC Programme - SOEs Management</p> <ul style="list-style-type: none">- Assistance Reform and Transformation (SMART)- Name of TC Assignment: Support for the Implementation of the Corporate Governance Action Plan of CEDIS (delegated approval under SMART Framework #16912)- Grant approval date: 04/06/2024 <p>TC2:</p> <ul style="list-style-type: none">- Name of TC Assignment: PIU Support approved under “SIG Project Implementation Support TC Programme – 2024”- Grant approval date: 27/02/2024 <p>[REDACTED]</p>
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[REDACTED]

INVESTMENT PROPOSAL SUMMARY

1. STRATEGIC FIT AND KEY ISSUES

1.1 STRATEGIC CONTEXT

Investments into the digitalisation of grid infrastructure and renewable energy (RE) are crucial for enhancing energy supply, bolstering energy security, and accelerating decarbonization efforts in Montenegro and the wider Western Balkans region. By diversifying the energy mix with renewables and strengthening transmission and distribution networks with digital technologies, countries can reduce their reliance on fossil fuels, improve grid reliability, and mitigate against the impacts of climate change. These investments not only contribute to a more sustainable energy future but also support economic development and regional cooperation.

CEDIS is the national electricity distribution grid operator of Montenegro, providing electricity supply and service to approximately 450,000 consumers through its network composed of over 100 Medium Voltage (MV) substations and 4,500 Low Voltage (LV) substations.

In 2017 the Energy and Water Regulatory Agency of Montenegro (REGAGEN) introduced a Rulebook on power quality to set out Security and Quality Supply Standards for electrical network operators; this introduced indices such as the System Average Interruption Duration Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI), which require compulsory annual monitoring. In order to achieve the required quality of supply standards, likely aligned with EU ones, CEDIS has to improve grid stability and reliability as well as implement measures that will enable them to control the grid remotely.

The distribution grid is seen as resource for hosting a large quantity of RE, particularly hydro and solar power plants. Currently 63 MW of RE are connected to the medium voltage distribution network, and 13 MW of RE are connected to the low voltage network. In the upcoming period, due to interest expressed by investors and ongoing projects coming from EPCG (mainly including the Solari+ projects encouraging rooftop solar PV plants), an additional 100 MW of RE to medium voltage distribution network and over 100 MW of RES to low voltage distribution network are planned to be connected. The network will therefore require significant improvements to successfully integrate them.

Implementation of the SCADA project will improve the reliability of the distribution network and will reduce the duration of outages. Consequently, renewable energy sources will represent a higher proportion of total consumption.

Currently, CEDIS is not controlling or monitoring the grid elements remotely. For every intervention caused by outages or maintenance works on the MV grid CEDIS-qualified operators have to physically go to the event site to energize and de-energize the grid element manually and on the spot, instead of remotely, in order to conduct the needed works. The same is repeated in case of fault repair, regular maintenance, or any other reason.

In a fault situation, after the protection device has de-energized an element of the grid, the restoration of the power grid, or a section of it, may take hours despite there being despite the presence of an alternative powering path (radial configuration in ring topology). Some of the main reasons for this long period of time are due to the distances between CEDIS-qualified operators and the infrastructure objects, the weather

conditions, traffic jams during the summer season on the coastal area, etc. The implementation of centralised SCADA/ADMS systems is the adequate digital solution to respond to these situations as its implementation would bring multiple benefits. Such system has not yet been implemented in the Montenegrin distribution grid despite multiple initiatives in the past.

To facilitate the Project implementation, the SCADA/ADMS, as the main part of the Project, is organised in two phases, which are equally split into two EBRD loan tranches. SCADA/ADMS Phase I territorially covers the Capital city Podgorica and the municipalities on the south of Montenegro: Ulcinj, Bar, Budva, Kotor, Tivat and Herceg Novi. SCADA/ADMS Phase II covers the rest of Montenegro. With SCADA/ADMS Phase I implementation, the core of SCADA / ADMS system will be erected in terms of software and hardware, control rooms (main and disaster for control of 35 kV grid, and three control rooms for 20kV and 10 kV North, Centre and South of the country), a telecommunication back-bone and the automatisisation of the substations that are not yet prepared for remote control and are located in the area covered by this stage. Completion of Phase I will involve the erection of the system, whilst Phase II will introduce the new elements into the existing SCADA/ADMS and telecommunication system throughout the rest of Montenegro. SCADA/ADMS Phase I is the more challenging one, while Phase II can be launched during the implementation of the first one.

In addition, included within the scope of Tranche 1 is the procurement of an additional 51,300 smart meters covering newly developed areas and replacing some of the depreciated meters. Currently, CEDIS covers 76 % of consumers with smart meters, and this coverage will be further enhanced with the Project.

The Bank is strongly supporting RE integration and related energy infrastructure investments. Following the proposed loan, EBRD is supporting several further projects, including transmission development and new RE plants planned by private investors, as part of its country strategy. In 2024, the Bank signed the Substation Brezna project with Crnogorski Elektroprenosni Sistem (“CGES”), the Transmission System Operator (TSO), to allow the integration of 400 MW of new RE. In 2023, the EBRD also signed a loan extension to help CGES procure the Variable Shunt Reactor (VSR), an urgent investment needed to normalise the voltage disruptions provoked by the change in energy demand structure over the past years. This project will contribute to foster the capacity of the grid to absorb new renewable energy capacities while enhancing grid stability and reliability.

The project is aligned with: 1. **Strategy for Montenegro 2021-2026**, which focuses on deepening Montenegro’s Green Economy Transition, 2. **Energy Sector Strategy 2024-2028**, which focuses on investing in the expansion and upgrade of network infrastructure, 3. **Green Economy Transition Approach 2021-2025**, which focuses on aligning its activities with the principles of international climate agreements, 4. **EBRD’s Approach to Accelerating the Digital Transition 2021-2025** which promotes activities which establish the foundations for digital transformation in our countries of operation, promote the adoption of digital technologies by clients and governments, and support digital innovation through new entrants across markets; and which support clients and governments in meeting the challenges of cyber security, and 5. the **Strategy for the Promotion of Gender Equality** through the promotion of gender equality across the male-dominated energy sector.

1.2 TRANSITION IMPACT

The table below sets out the TI Objectives and details of the project

Primary Quality: Resilient

Obj. No.	Objective	Details
1.1	<i>The project will assist the Company to move towards international best practice in terms of system reliability or flexibility with significant reduction in statistics such as Average Interruption Time (AIT), which other DSOs in the country can also benchmark as best practice.</i>	The introduction of the SCADA/ADMS will provide automated outage restoration and optimise the performance of the distribution grid. The introduction of additional smart meters will help reduce distribution losses which will improve SAIFI / SAIDI, leading to a more reliable network
1.2	<i>The project introduces new operational approaches that will have a significant effect on the efficiency of Company operations.</i>	The introduction of the new SCADA/ADMS will provide automated outage restoration and optimise distribution grid performance whilst also helping to address the challenges of the future grid, from renewable energy management to cyber security.
1.3	<i>The project supports the roll out of smart electricity meters in an EU or Energy Community country. The installed meters meet the 10 common minimum functionalities for smart metering systems defined by Article 42 European Commission Recommendation 2012/148/EU.</i>	The Project includes the acquisition and installation of 51,300 smart meters in Montenegro.
1.4	<i>The project helps the Company achieve, for the first time, international best practice in infrastructure cyber resiliency (e.g. IEC 62443, MITRE ATT&CK, ICAO (aviation), IMO(Maritime), CIS 18 IG 2 or equivalent)</i>	The introduction of the state-of-the-art SCADA/ADMS system will provide cyber security to the distribution network.

Secondary Quality: Green

Obj. No.	Objective	Details
2.1	<i>The percentage of EBRD use of proceeds that supports a green economy transition and therefore qualifies as GET finance is 15% or higher.</i>	The percentage of EBRD use of proceeds that supports a green economy transition and therefore qualifies as GET finance is 100%.
2.2	<i>The project results in energy savings that exceed 0.1% of annual national energy consumption, so significantly contributes to improved energy efficiency.</i>	The project results in energy savings [REDACTED] . The national energy consumption in 2023 was 3,179 GWh, of which 0.1% is 3.2 GWh

Digital Approach: The project is aligned to the Adaptation area of intervention outlined in the EBRD Approach to Accelerating the Digital Transition 2021-2025. The digital components of the Project are expected to be in support of the Resilient and Green Transition Qualities as outlined above.

1.3 ADDITIONALITY

Identified triggers	Description
A subsequent/consecutive transaction (issuance) with the same client/group either with the same use of proceeds or in the same destination country (repeat transaction).	Since 2017, the Bank has been financing the completion of the modernisation of the distribution network in order to transit towards a fully functioning smart grid system, including modernisation and/or replacement of existing low voltage infrastructure, modernisation of the SCADA system and purchase of 60,000 smart meters (OpID 48402). EBRD assistance is needed now to address CEDIS' investment needs, as the required tenor for the transaction is longer than that commonly available to CEDIS on the market.

Additionality sources	Evidence of additionality sources
Financing Structure: EBRD offers financing that is not available in the market from commercial sources on reasonable terms and conditions , e.g. a longer grace period. Such financing is necessary to structure the project.	EBRD is offering financing, which is not available on the market. The loan will be provided with a 10-year tenor [REDACTED].
Standard-setting: helping projects and clients achieve higher standards client seeks/makes use of EBRD expertise and resources on best international procurement standards	EBRD's funding and application of the Bank's PP&R will ensure wider market outreach, particularly in the current high-risk environment.
Standard-setting- Gender SMART Tag client seeks/makes use of EBRD expertise on higher gender standards and/or equal opportunities action plans	CEDIS will improve awareness of equal opportunities in the field of energy in Montenegro by introducing a new outreach initiative to draw more young women into STEM (Science, Technology, Engineering, and Mathematics) careers in this traditionally male-dominated sector. This will involve the organisation of at least two career guidance events per year (e.g. women-focused job-fairs, lectures, mentoring by female role models) -to be implemented in collaboration with local high schools and universities. This campaign is expected to increase the visibility of career pathways for women in the industry and, in particular, its technical fields. Furthermore, CEDIS has committed to increase the proportion of women recruited through their graduate hiring scheme [REDACTED]

1.4 SOUND BANKING - KEY RISKS

Risks	Probability / Effect	Comments
Construction delay and cost overrun	Medium / Medium	<p>Project implementation could be more complex than anticipated, leading to delays and additional costs.</p> <p><u>Mitigation:</u> The Project's CAPEX is included into the regulated asset base (RAB) of CEDIS as they occur, providing a substantial contingency reserve. The Company has flexibility within the planned construction cost, as they can adapt the number of substations covered depending on the market/supplier price. That is, in case there is an increase in price, they can reduce the number of substations covered without having a critical effect on the project implementation, as they would keep the excluded substations for the next phase (that is, SCADA/ADMS Phase II).</p> <p>Also, any cost overruns would lead to increased tariff revenues during the construction phase. Should there be delays in Project implementation resulting in CAPEX spending occurring later than anticipated, the tariff methodology will adjust regulated revenues accordingly to accommodate for the delay. Consequently, CEDIS would draw down the new debt at a later stage than initially planned, thereby rendering the financial risk of construction delays manageable.</p> <p>The Project will be implemented by CEDIS, which has limited experience working with IFIs. The PIU benefits from the support of an international consultant, acceptable to the Bank, assisting the Company with project preparation, procurement, implementation and monitoring for the Project. Additionally, the Team intends to engage a TC implementation consultant to strengthen the Client's capacity and ensure efficiency throughout project implementation.</p>
Regulatory risk	Low / High	<p>The Regulator could change the tariff methodology with adverse impacts on CEDIS cash flows.</p> <p><u>Mitigation:</u> The Regulator has demonstrated support for the Project. EBRD has a long-standing dialogue with energy-related local authorities, including the Government and respective ministries, the Regulator, EPCG, etc.</p> <p>[REDACTED]</p>
Creditworthiness of the Borrower	Low / Medium	<p>CEDIS has had a weak financial performance in the past years. The Regulator has approved a new methodology that started in 2024, which brings the Company back to a stable financial position. However, the possibility of further profitability deterioration remains if regulatory interventions or energy price increases occur alongside delays in tariff adjustments.</p> <p><u>Mitigation:</u> [REDACTED]</p> <p>One of the Regulator's main aims is to keep the distribution system operator financially stable, which they have committed to by adopting the new methodology from 2024. The risk is also mitigated by a corporate guarantee by EPCG.</p>

2. MEASURING / MONITORING SUCCESS

Transition Impact Monitoring Indicators

TI indicator(s), primary Quality: Resilient

Obj. No.	Monitoring indicator	Details	Baseline	Target	Due date
1.1	Operational performance of the Company: losses reduced	The introduction of 51,300 smart meters will result in energy savings by improving SAIFI / SAIDI, reducing network losses, increasing collection. (GWh)	[REDACTED]	[REDACTED]	[REDACTED]
1.2	Operational performance of the Company: productivity	By introducing SAIDI/SAIFI, the reliability of the grid is expected to improve with a reduction in grid losses. (Grid losses %)	[REDACTED]	[REDACTED]	[REDACTED]

TI indicator(s), secondary Quality: Green

Obj. No.	Monitoring indicator	Details	Baseline	Target	Due date
2.1	Primary energy saved (GJ/year)	The project results in energy savings [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2.2	CO ₂ e emissions reduced (tonnes/year)	The introduction of SCADA/ADMS will reduce losses in the distribution network.	[REDACTED]	[REDACTED]	[REDACTED]

Additional Indicators

Indicator type	Monitoring indicator	Details	Baseline	Target	Due date
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<p>Advisory & Policy Indicators</p>	<p>Practices of the relevant stakeholder improved (equal opportunity practices of the Company)</p>	<p>CEDIS will introduce a new outreach initiative and organise at least two career guidance events each year to attract young women to apply for STEM roles within the energy sector.</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>Advisory & Policy Indicators</p>	<p>Practices of the relevant stakeholder improved (equal opportunity practices of the Company)</p>	<p>CEDIS will commit to increase the proportion of women within their graduate programme[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>Advisory & Policy Indicators</p>	<p>Improved cybersecurity standards</p>	<p>The project helps the Company achieve, for the first time, international best practice in infrastructure cyber resilience (e.g. IEC 62443, MITRE ATT&CK, ICAO (aviation), IMO(Maritime), CIS 18 IG 2 or equivalent) [80]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>Advisory & Policy Indicators</p>	<p>Demonstrated quantitative evidence of Company's improved cyber resilience</p>	<p>Quantitative evidence of improved cyber resilience through the monitoring of – for example – reduction in number of vulnerabilities discovered in Penetration tests/vulnerability assessment and; Reduction in operational business interruptions caused by cybersecurity incidents (or maintaining these at 0)</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

3. KEY PARTIES

3.1 BORROWER

CEDIS owns and operates the power distribution networks in Montenegro of up to 35 kV. It is fully owned by EPCG and operates as a standalone legal entity as of 1 July 2016. The Company has a natural monopoly over electricity distribution, distributing c. 2.8 TWh to circa 450,000 consumers over its 26,000 km of networks and over 5,000 substations while it employs c. 1,700 people.

Operations of the Company are under the supervision of the Regulatory Agency for Energy of Montenegro (“REGAGEN”) which issues licenses, determines tariff methodologies, and sets distribution tariff levels. The regulator sets the electricity purchase price for the distribution losses separately, and the price is determined based on the HUDEX futures market.

The Company is governed by the Shareholders Assembly (represented by EPCG Board members), Board of Directors, and the CEO. CEDIS’ 2023 revenues were EUR 115m and EBITDA EUR 27m.

3.2 GUARANTOR

EPCG, the Guarantor, is a leader in the domestic electricity market and an important active participant in the regional market. The total installed generating capacity of power plants amounted to 874 MW, of which hydro power plants contribute 649 MW, and a thermal power plant of 225 MW. EPCG (www.epcg.com) is a joint stock company incorporated under Montenegrin law.

EPCG is functionally unbundled into business units responsible for generation and supply. In April 2009, the functions of transmission system operator, system operator and market operator, together with the assets and liabilities of the high voltage transmission system, were spun off into a separate majority state-owned company, Crnogorski Elektroprenosni Sistem (CGES). In July 2016, the function of the distribution system operator was also spun off into a separate majority state-owned company, Crnogorski Elektrodistributivni Sistem (CEDIS) in compliance with the EU third energy package.

EPCG’s 2023 revenues were EUR 513m [REDACTED].

4. MARKET CONTEXT

Montenegro has made considerable progress towards meeting its Energy Community Treaty obligations and in liberalising its energy sector. Generation, transmission and distribution are fully unbundled. The distribution system is operated by CEDIS, which is owned by EPCG. The transmission system is operated by Crnogorski Elektroprenosni Sistem (CGES), which is entirely independent of EPCG. The transmission and distribution tariffs are regulated by an independent regulatory body.

The wholesale market is formally deregulated. Montenegro has an open market without regulatory obstacles for new entrants and competition. However, market concentration remains very high with the incumbent covering the whole retail market.

Montenegro's electricity market has an installed capacity of 1,050 MW, primarily owned by state utility EPCG (874 MW, 82%). The capacity includes two major hydroelectric power plants (HPPs) totalling 649 MW and a coal-fired Thermal Power Plant (TPP) Pljevlja with a capacity of 225 MW. HPPs contribute approximately 44-55% of Montenegro's total electricity output, varying based on annual hydrological conditions. Also, two private wind power plants (WPP) are: Krnovo 72 MW and Mozura 46 MW, for a total of 118 MW. The rest is composed mostly of small hydro power plants and solar photovoltaic (PV) plants.

The power exchange company BELEN has awarded a contract for the provision of day-ahead trading, clearing and settlement platform services to a consortium of companies, paving the way for the MEPX (Montenegrin Power Exchange).

Montenegro's strategic geographical position makes it a significant hub for energy trade within the Balkans, with interconnections to Bosnia-Herzegovina, Serbia, Kosovo, Albania, and a recent link to Italy via an undersea cable. The undersea cable capacity is expected to double to 1,200 MW in the coming years. This expansion underscores the growing importance of Montenegro as a key player in regional energy systems and enables the country to further capitalize on opportunities for energy trade and market integration by coupling its market with Italy and other neighbouring countries.

Montenegro's decarbonization initiative includes commitments to abstain from developing new coal capacity and significant investments in renewable energy.

Initiatives such as the region's inaugural CO₂ emissions trading scheme and a pledge to shut down the coal-fired power plant by 2035 highlight Montenegro's dedication to environmental responsibility.

Montenegro is developing a National Energy and Climate Plan (NECP) with assistance from German GIZ, serving as a roadmap toward sustainable energy practices.

The Government, with support from the EBRD, aims to attract private investments in renewable energy through organized auctions, accompanied by reforms to the regulatory framework and technical assistance in drafting legislation. The first auctions are expected to be launched by mid-2025.

The recent adoption of a new Renewable Energy Law, supported by the EBRD, is anticipated to further accelerate Montenegro's transition to a greener and more resilient energy landscape.

5. FINANCIAL ANALYSIS

5.1 FINANCIAL PROJECTIONS

[REDACTED]

5.2 SENSITIVITY ANALYSIS

[REDACTED]

5.3 PROJECTED PROFITABILITY FOR THE BANK

[REDACTED]

6. OTHER KEY CONSIDERATIONS

6.1 ENVIRONMENT

Categorised B (2019 ESP). The environmental and social risks associated with the implementation of smart metering system, are expected to be site-specific, can be readily identified and managed via the implementation of the Environmental and Social Action Plan (ESAP). The Project aims to automatise and digitalise the network, further reducing distribution losses and increasing energy efficiency, as well as maintaining and improving reliability, safety and quality of the electricity supply.

The Company is an existing client of the Bank and has previously been subject to detailed Environmental and Social Due Diligence (ESDD). The Company has been submitting annual E&S reporting, which has been found satisfactory. The implementation of the ESAP agreed for the previous transactions has been generally on track.

ESDD for the current Project was undertaken in house and comprised a review of the Company's existing E&S management systems, including supply chain, occupational, community health and safety, contractor management, labour issues with specific focus on GBVH, retrenchment, stakeholder engagement and grievance mechanism.

The ESDD confirmed that CEDIS has good organisational capacity, with Integrated Quality, Environmental, Health and Safety Management systems in place certified under ISO 9001/14001/45001. The third-party IMS certification checks were conducted in April 2023 and confirmed the compliance of the management system with the requirements of the ISO 9001/14001/45001 with no material non-conformances. The Company also conducts periodic inspections and tests of work equipment, electrical installations, and personal protective equipment, in line with the national legislation and Good International Practice (GIP). Further improvement actions on health and safety including contractor management on risks assessment, planning and M&E, LOTO system have been included in the revised ESAP.

The Company is benefitting from a nationwide PCB waste-management programme. It plans to build a 1000 m² warehouse according to international standards to store PCB-contaminated equipment until decontamination or disposal. The warehouse will be in the "Industrial Zone - Kotor" and will remain a CEDIS property.

The Human Resources Policy is in place but requires improvements regarding working relationships and the introduction of an employee grievance mechanism. The Company does not have a public information disclosure policy or communication plan specific to the project, and requires development of a stakeholder engagement plan.

The project will not need to acquire any additional land or result in land use changes or economic displacement as the smart meters will be installed in existing houses. In addition, these locations are not expected to have material impacts on biodiversity or cultural heritage sites as they are not near to sensitive areas such as Important Bird Areas, Ramsar Sites and World Heritage Sites.

The ESDD identified, that the Company needs to further build up the institutional capacity to fully implement the bank's PRs, specifically contractor and supplier management, community safety, robust management, and risk assessment of H&S procedure. The ESAP has been updated to incorporate additional actions and will be fully agreed before going to Board.

EBRD will monitor the Project through annual environmental and social reports and site visits, if required.

6.2 INTEGRITY

In conjunction with OCCO, an integrity due diligence was undertaken on the Company, its shareholder, senior management and other relevant parties. [REDACTED]

All actions required by applicable EBRD procedures relevant to the prevention of money laundering, terrorist financing and other integrity issues have been taken with respect to the project, and the project files contain the integrity checklists and other required documentation which have been properly and accurately completed to proceed with the project.

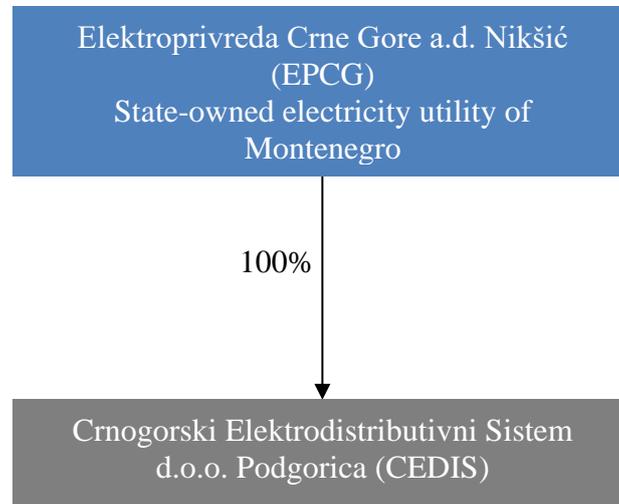
6.3 OTHER ISSUES

[REDACTED]

ANNEXES TO OPERATION REPORT

ANNEX 1	Shareholding Structure
ANNEX 2	Project Implementation (Procurement Plan)
ANNEX 3	Green Assessment Summary
ANNEX 4	Transition Impact Scoring Chart
ANNEX 5	Historical Financial Statements

ANNEX 1 – SHAREHOLDING STRUCTURE



ANNEX 2 – PROJECT IMPLEMENTATION (PROCUREMENT PLAN)

[REDACTED]

The Company is CEDIS, the Montenegrin national distribution system operator, which owns and operates the power distribution networks in Montenegro of up to 35 kV. CEDIS is an existing client of the Bank. The Company has limited experience with IFIs, and some familiarity with EBRD rules and procedures.

CEDIS has established the Project Implementation Unit (PIU) for the purpose of implementation of the project. The PIU is supported by a PIU support consultant, financed and appointed by the Company and deemed acceptable to the Bank.

Contracts risk assessment

- High/Moderate

The contracts proposed to be financed under the Bank's loan are detailed in the attached Procurement Plan. The support of an experienced PIU consultant ensures that technical specifications, employer's requirements, and procurement documents are suitable for open tendering and aligned with the Bank's PP&R.

Moreover, the support of an implementation consultant, mobilised by the Bank, will reinforce the Client's capacity by identifying potential gaps and training relevant staff to address implementation, procurement and monitoring issues.

The nature of the contracts, which include respectively the procurement of the SCADA/ADMS system and the procurement of the smart meters, is generally considered of high/medium complexity, and has an equivalent degree of implementation risk. The risk will be mitigated by the PIU consultant that will support the Company along the entire project cycle.

Project implementation arrangements:

The PIU established by CEDIS will be responsible for the implementation of the Project, including carrying out the procurement process and contracting. The PIU will be supported by two consultants: (i) an international PIU consultant, appointed and financed by the Client, and considered adequate by the Bank; and (ii) an implementation consultant, mobilised by the Bank with the objective of strengthening the Client's capacity. These arrangements will address the risks and ensure smooth project implementation.

The PIU consultant will assist the PIU in all aspects of implementation and in meeting the requirements of the Bank's Financing Documents. In particular, the consultant will provide support in the areas of project preparation and preparation of procurement documents (including technical specifications).

Procurement arrangements:

The contracts financed under the Bank's loan will be procured following open tendering procedures in accordance with the requirements of the Bank's PP&R for public sector operations.

The contract for the procurement of the SCADA/ADMS system will be procured using multistage open tendering method using the Bank's latest goods standard procurement documents templates

The contracts will be tendered via the EBRD Client E-Procurement Portal (ECEPP) and will be subject to prior review.

[REDACTED]

PUBLIC

OFFICIAL USE

OFFICIAL USE

PUBLIC

ANNEX 3 – GREEN ASSESSMENT SUMMARY

SUMMARY

- The Project will finance the design and implementation of a SCADA/ADMS system and the procurement of new smart meters.
- The Project is determined **aligned with both mitigation and adaptation goals of the Paris Agreement.**
- The Project is attributed 100% **GET.**

Climate-related financial risks have been assessed [REDACTED]

Changes since CRM/NTN/Exhibit A stage

The project has not materially changed since CRM/NTN/Exhibit A stage.

PARIS ALIGNMENT ASSESSMENT

Alignment with the mitigation goals of Paris Agreement - General screening

The project is determined as aligned with the mitigation goals of the Paris Agreement based on the application of the Bank's Paris alignment approach for direct finance.

- The projects activity is included in the 'MDBs' aligned list' under the category "Electricity transmission and distribution, including energy access, energy storage and demand-side management".
- There are no activities included in the 'non-aligned list'.

Alignment with the adaptation goals of Paris Agreement

The project is determined as aligned with the adaptation goals of the Paris Agreement as it satisfies all three steps of the assessment. The project-level physical climate risks identified at screening stage are considered not material. .

Step 1: The screening performed under Step 1 indicates that the project faces potentially material physical climate risks: extreme heat events, flooding

Step 2: During the due diligence phase these risks were further assessed, and the results summarised below.

Hazards	Materiality		Climate resilience measures
	Exposure	Sensitivity	Climate resilience measures
List hazards flagged for further assessment: - Flood - Heavy rainfall event	Montenegro, in line with other countries on the Western Balkans, has historically been exposed to significant riverine and pluvial flooding events. Under relevant climate scenarios, flood-related events as well as multi-day spells of extreme heat are projected to become more severe and frequent.	The installations financed under the EBRD's use of proceeds will be deployed inside climate-controlled environments, i.e. CEDIS control rooms, partially on higher floors, and are therefore considered not sensitive to physical climate risk.	n/a

Step 3: The Project is unlikely to have an impact on the climate resilience of the wider system in which it operates.

CLIMATE RELATED FINANCIAL RISK

Carbon transition risk	
Final carbon transition risk score for the key counterparty of risk	[REDACTED]
Evaluation of carbon transition risks for the key counterparty of risk	<p>Borrower (CEDIS) The Borrower, CEDIS, is an electricity distribution company and its carbon transition risk is assessed as low.</p> <p>Guarantor (EPCG) There is a carbon transition risk arising from the Guarantor's (EPCG's) reliance on the Pljevlja lignite power plant (c. 40% of Guarantor's revenues). This CT risk is mitigated by: i) some robustness to increased CO2 prices, ii) EPCG's advance stage of development of large investment in renewables, iii) the expected decommissioning of Pljevlja and iv) the fact that EPCG is c. 99% state owned, is of critical importance to the country and is likely to be supported by the government in the event of financial problems.</p>

Physical climate risk	
Final physical climate risk score for the key counterparty of risk	[REDACTED]
Evaluation of the physical climate risk for the key counterparty of risk (if different from the borrower)	<p>[REDACTED]</p> <p>Various measures to control hydrological variability, including flood events, have been integrated into the design of each asset, limiting the risk of a climate-induced credit event during the tenor of the loan.</p> <p>The specific mitigation measures are:</p> <ul style="list-style-type: none"> <p>HPP Piva The HPP Piva has an arch gravity dam with a total height of 250 m. The construction of the dam formed a lake on the Piva river which is approximately 800 million m³. In case of high water and flood waves, the dam has three overflow valves. They serve to drain all excess water when the lake level exceeds 675 m above sea level. Considering the entire hydrosystem of the HPP, there are no additional risks of flooding. However, in order to protect the facilities from possible water intrusions, there are drainage systems built in all critical places, as well as drainage facilities with drainage pumps, which would pump out possible occurrences of water.</p> <p>HPP Perućica The HPP Perućica has a complex supply system. The system consists of supply channels, supply tunnels and supply tunnel and pipeline under pressure. The plant itself and the HV facility is located at an altitude of 63 meters above sea level. Facilities at an altitude of 63 meters above sea level are protected from possible flooding by drainage systems that, furthermore, include drainage pump systems installed at recognized critical points. Considering the system of supply channels and two storage lakes, HPP Perućica has appropriate closures with overflow flaps that are used for evacuation in the event of the appearance of large amounts of water.</p> <p>TPP Pljevlja The Pljevlja thermal power plant uses water from the Otilovići hydro-reservoir, which was made by the construction of an arch-gravity concrete dam whose height is 54 m above the ground, and the reservoir itself has a capacity of 18 million m³.</p>

	<p>The distance between the dam and the Pljevlja thermal power plant is approximately 4 km, and water is supplied to the Thermal Power Plant through a pipeline under pressure with appropriate valves and regulation equipment. In case of high water, the dam is equipped with three overflow flaps from which excess water is evacuated and released into the natural course of the Čehotina river.</p> <p>As regard the Thermal Power Plant drives, they are equipped with drainage systems that, furthermore, include drainage pumps that serve to pump out any water that may appear.</p> <p>EPCG has demonstrated resilience to major climatic events in the past, such as the record drought of 2022, which caused the company to forgo part of the revenue typically generated from its hydroelectric assets. Despite the financial strain that year, EPCG managed to end the year close to breakeven.</p> <p>Additionally, EPCG plans to further diversify by developing nine new power plants across different parts of the country in the short term. More than half of these investments, based on generation capacity, will focus on solar and wind energy.</p>
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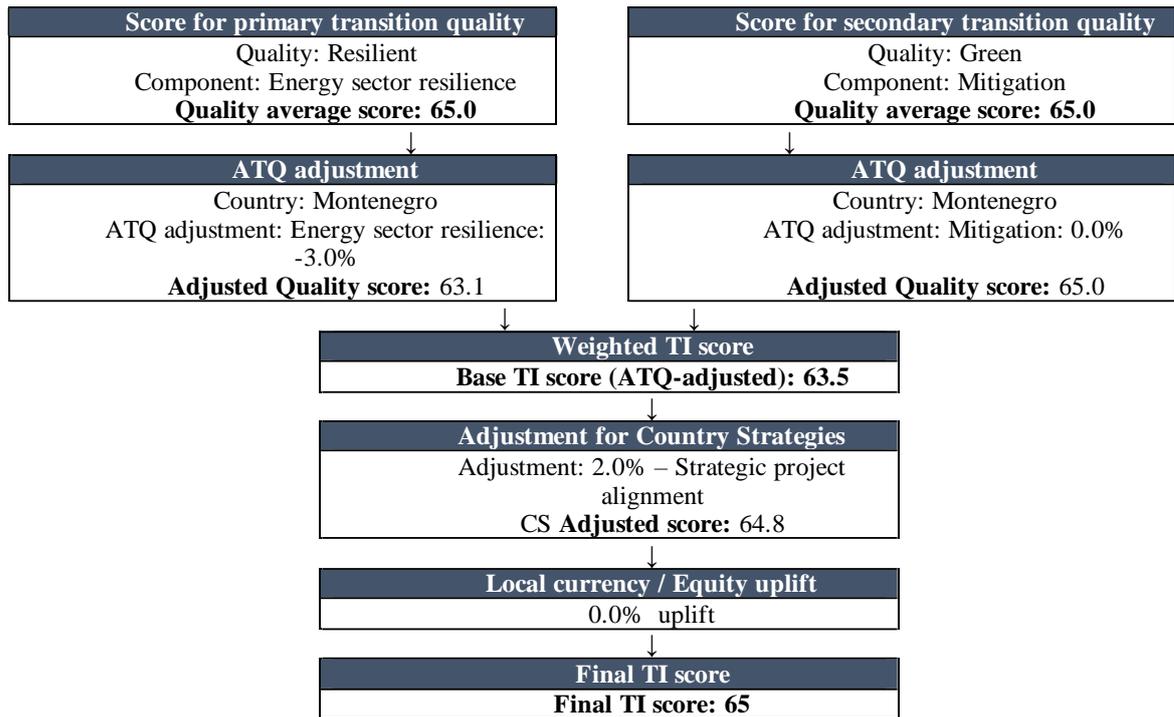
GET ATTRIBUTION

The Project is attributed 100% GET. This share has been calculated in line with the following eligible activities: “Brownfield efficiency improvement or reduction of CO₂e emissions in transmission or distribution of electricity, heat, cold, low-carbon gases, or CO₂” and “Activities targeting customers of energy systems that support a reduction in consumption or enhanced uptake of renewable energy”.

The expected impact of the transaction is a reduction of GHG emissions[REDACTED].

[REDACTED]

ANNEX 4 – TRANSITION IMPACT SCORING CHART



ANNEX 5 – HISTORICAL FINANCIAL STATEMENTS

Income Statement (EUR 000)	2017	2018	2019	2020	2021	2022	2023
Total regulated revenues	92,581	94,415	97,903	91,387	98,462	100,465	105,638
Other revenues and pass-through recoveries	775	1,791	2,571	3,057	5,056	20,565	8,936
Total Revenues	93,356	96,206	100,475	94,444	103,518	121,030	114,574
Purchase of electricity	(16,888)	(19,062)	(22,896)	(19,231)	(29,566)	(45,848)	(18,806)
Cost of materials and maintenance	(7,659)	(8,319)	(8,391)	(8,394)	(8,457)	(12,377)	(13,465)
Transmission costs - 3rd party services (not included in tariffs)	(13,851)	(14,096)	(14,294)	(13,789)	(15,709)	(16,045)	(15,807)
G&A and other operating costs	(28,947)	(30,749)	(30,155)	(30,519)	(33,407)	(34,271)	(39,504)
EBITDA	26,011	23,980	24,738	22,511	16,379	12,489	26,992
Amortization, depreciation - fcst	(14,512)	(14,211)	(21,496)	(22,039)	(21,875)	(21,583)	(19,918)
Provisions, write downs	(4,183)	(3,274)	(1,900)	(1,935)	(3,297)	(1,868)	(2,018)
EBIT	7,317	6,496	1,342	(1,462)	(8,793)	(10,962)	5,056
Interest expenses & fees	(310)	(538)	(386)	(297)	(1,263)	(1,111)	(1,741)
Interest income	189	455	476	574	411	218	121
Other non-operating income	805	3,576	2,261	5,189	1,916	88	(440)
Extraordinary expenses	(1,893)	(4,156)	(1,231)	(3,391)	(2,284)	-	-
Profit before tax	6,108	5,833	2,463	612	(10,012)	(11,767)	2,996
Tax expense	(286)	(247)	133	158	165	85	(928)
Net Profit	5,821	5,586	2,596	770	(9,847)	(11,682)	2,069

Balance Sheet (EUR 000)	2017	2018	2019	2020	2021	2022	2023
Cash balance	20,433	15,563	11,655	9,562	12,423	5,932	3,627
Accounts receivable	41,852	18,587	28,366	16,275	24,465	32,715	42,638
Inventory	9,888	14,536	11,821	9,202	10,432	14,205	15,711
Other ST assets	25,092	43,676	47,441	40,933	21,283	4,287	3,856
Current assets	97,265	92,362	99,283	75,973	68,603	57,139	65,832
Long-term assets balance (NBV) forecast	270,574	321,774	331,872	344,828	342,334	338,776	343,087
Financial Assets	2,230	556	668	693	871	1,108	1,129
Other long-term assets	720	1,971	2,537	2,404	2,346	1,457	2,161
Fixed assets	273,524	324,301	335,077	347,925	345,552	341,342	346,377
Total assets	370,790	416,663	434,361	423,898	414,154	398,480	412,209
Financial Debt - ST	686	686	3,950	3,950	3,950	3,950	3,950
Accounts payable & other payable	22,035	16,003	15,648	14,103	17,567	15,908	9,307
Other liabilities	30,829	22,482	26,136	26,232	28,628	31,098	28,407
Current liabilities	53,550	39,170	45,734	44,285	50,145	50,956	41,664
Financial debt / loans - LT	12,487	20,556	29,984	26,034	22,084	18,133	14,183
Provisions, reserves	5,274	4,468	4,108	2,200	325	-	2,247
Deferred tax balance	1,732	6,004	5,585	5,709	5,796	5,324	5,273
Other non current liabilities and employees benefit	24,591	19,110	16,724	16,784	12,790	12,833	13,960
Total Liabilities	44,084	50,138	56,401	50,727	40,994	36,290	35,664
Common Equity	283,610	330,620	329,534	328,349	322,908	332,602	353,092
Retained earnings balance	(10,454)	(3,266)	2,692	537	107	(21,368)	(18,211)
Total equity	273,156	327,355	332,225	328,886	323,015	311,234	334,881
Total liabilities and shareholder funds	370,790	416,663	434,361	423,898	414,154	398,480	412,209

Cashflow Statement (EUR 000)	2017	2018	2019	2020	2021	2022	2023
EBITDA	26,011	23,980	24,738	22,511	16,379	12,489	26,992
Increase / decrease in working capital	5,286	(18,961)	(6,731)	12,123	(4,276)	(13,015)	(18,184)
Tax Paid	-	-	-	-	-	-	-
Change in deferred taxes and other items - act	7,091	18,892	1,178	(161)	(3,876)	174	-
Operating CF	38,388	23,911	19,185	34,472	8,227	(352)	8,808
Capex	(23,825)	(20,254)	(32,490)	(37,376)	(19,567)	(19,221)	(24,665)
Disposals - act	225	419	442	9,729	20,273	17,676	26
Other financial investments (net outflow) - act	(27,359)	(16,866)	(3,655)	-	-	-	113
Investing CF	(50,959)	(36,701)	(35,703)	(27,647)	706	(1,545)	(24,526)
Debt drawdown	13,361	9,000	13,378	-	-	-	-
CFADS	791	(3,791)	(3,140)	6,826	8,933	(1,897)	(15,718)
Net interest paid	(124)	(401)	(188)	(152)	(1,096)	(665)	(4,215)
Debt repayment	-	(679)	(581)	(3,762)	(3,787)	(3,929)	(3,950)
Cash available for shareholders	667	(4,870)	(3,908)	2,912	4,050	(6,491)	(23,883)
Share capital increase	-	-	-	-	-	-	21,578
Cash flow available for dividends	667	(4,870)	(3,908)	2,912	4,050	(6,491)	(2,305)
Dividends due & paid	-	-	-	(5,005)	(1,189)	-	-
Financing cash flow	13,237	7,921	12,610	(8,919)	(6,072)	(4,594)	13,413
Net Cash Flow	667	(4,870)	(3,908)	(2,093)	2,861	(6,491)	(2,305)